



# 2002 Legislative Session UPDATE

Senator Larry Sheahan ■ 9th Legislative District

## Committee Assignments:

- Rules, Ranking Republican Member
- Agriculture & International Trade
- Higher Education
- Ways & Means

## Leadership:

Republican Floor Leader

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Dear Friends and Neighbors,

Before coming to Olympia in January, I knew that the 2002 session would be a difficult one. The biggest challenge we have this session is figuring out a way to deal with the budget shortfall, while protecting funding for universities, K-12 education, nursing homes, criminal justice and the other vital interests of Eastern Washington.

As you know, the economy is in a slump. Friends are losing their jobs, and families are hurting. The only way to solve the budget problem is to get the economy moving again. As a member of the Ways and Means Committee and as the Republican floor leader, I will do everything in my power to improve the economic vitality of our state, particularly the agricultural economy.

Please know that you are welcome to contact me if you have any questions about pending legislation, state law, or a problem with a state agency. It is my privilege to represent and serve you in the Washington State Senate.

Sincerely,

Larry Sheahan

## State Budget needs to weather tough times without raising taxes

The current budget crisis is the result of a combination of increasing costs and declining revenues — creating a \$1.6 billion hole in the state's 2001-03 biennial budget for the remaining fiscal year. Governor Locke has proposed major cuts in human services, natural resources, and K-12 programs. He has also suggested closing the state library, three salmon hatcheries and the Mission Creek Youth Camp. His budget plan also allows state colleges and universities to set their own tuition rates; and includes an expansion of the Lottery, an increase in the tax on hard liquor, and a new tax on cardrooms, punchboards and pulltabs.

Locke is now listening to the Republican suggestions and is looking at implementing a state government hiring freeze for nonessential services — a step that could save \$190 million over the next 18 months. In addition, cutting back where costs have risen, such as out-of-state travel on the state's dime, equipment purchases, retreats and training conferences could save the state nearly \$300 million.

I am supporting a sustainable budget that weathers tough economic times with-

out raising taxes and without eliminating aid for our most vulnerable citizens.

## Repeal of gas tax exemption would be a disaster for Washington's farmers

Powerful central Puget Sound legislators have threatened to repeal the fuel tax exemption for dyed diesel fuel used in off-road farm machinery.

The current fuel tax rate in Washington is 23 cents per gallon. Currently, farmers pay no fuel tax on dyed diesel, but they do pay sales tax of about 9 cents per gallon. If the dyed fuel gas tax exemption were removed, farmers would have to pay fuel tax on every gallon of dyed diesel they use.

The impact of this increase on the average farmer would be immense. For example, let's assume an average 2,000-acre farm uses 3.5 gallons of diesel per acre per year based on a three-year crop rotation. This one tax increase would cost a farmer at least \$980 and perhaps as much as \$1,610 extra per year, depending on whether or not he's also paying sales tax on that diesel. Either way, this is a substantial increase that most farmers simply cannot afford.

Washington State's 18th amendment requires that most fuel taxes collected be

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used for roads and bridges. Farmers should not be forced to pay road taxes on equipment that rarely uses the roads.

### FFA license plate bill to help Washington state FFA students

I have been working to provide Washington state FFA students a consistent funding source. Senate Bill 5571 creates a specialized license plate depicting an FFA design. The license fees used to purchase the special plates will go into a new FFA account within the state treasurer's office and will be used for programs and scholarships within the FFA organization and its chapters.

These plates will help people not only show their support for FFA, but provide a funding source for local chapters. With state budget cuts looming, this bill will provide funding to the FFA without costing taxpayers additional money.

The state Senate passed the bill. If it passes the House, the new FFA plates will go into effect on Jan. 1, 2003, at a cost of \$40.

### The fight to restore funding for the hungry in Washington

I was appalled to find out that the governor has removed the funding for the state's Emergency Food Assistance Program from his proposed budget. I have introduced Senate Bill 6799 to replace the money.

We have over 320 food banks and distribution centers, and 32 tribes that deliver food services to hungry people. We can't deny these citizens the basic necessity of food. Under SB 6799, \$1 million of the state budget will be redirected to the Emergency Food Assistance Program to increase the food banks' ability to accept, store and deliver perishable food. The governor's proposed budget cut out the original \$500,000 allocated for the upcoming budget year.

The money will only be used for refrigerator trucks and refrigeration units at the food banks. The banks receive plenty of perishable food, but without the refrigeration, the food quickly goes bad.

### Senate capital budget includes funding for Blair Elementary

Years of hard work are paying off as we move closer to fully funding the construction of a new elementary school in the Medical Lake School District on



*Senator Sheahan speaks with a local farmer in the 9th District.*

Fairchild Air Force Base. The Senate capital budget includes \$4.6 million, which will be added to the \$6 million Congressman George Nethercutt obtained at the federal level for this very important project.

### Retaining estate tax will harm Washington's farmers

The estate tax is unfair to farmers and small business owners who own many assets, but have little cash. Budget writers are attempting to retain the estate tax at the state level. I am co-sponsoring a bill (SB 6762) to have the state level estate tax match the federal reductions.

### Bill would protect essential services against county insolvency

Washington's small rural counties may find themselves without the money to pay for public health, police and fire services as the impact from recently approved tax cut initiatives takes hold. SB 6679 provides a mechanism for these counties to declare a revenue emergency and qualify for state aid.

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